

29. Water-rights.—Members of this Assembly are possibly aware that there has been a long-standing dispute between the Government of Travancore and the Kannan Devan Hills Produce Company, Ltd. The points in dispute were in respect of the Government's water-rights within the Concession area with particular reference to their right to levy royalty on water-power generated and utilised by the Company. This question had formed the subject of contention for a period of over twenty years. Occasion arose for me to take up the question; and at a conference held in Trivandrum between the General Manager of the Company and his staff on the one side and myself and my advisers on the other, sufficient common ground was reached to raise hopes of settlement without recourse to arbitration. Negotiations were further pursued at conferences when I went up to Munnar in February 1926. There were a few outstanding points of difference which it has taken the intervening months to compose and now we have at last reached finality. The agreements have been drafted and I hope the indentures will very shortly be signed. The salient points of the settlement are that the Company recognises, without qualification, Travancore's general rights over water within the Concession area. As a direct consequence it has agreed to pay royalty to the State on every unit of water-power used. The Company has also withdrawn its claim to the exclusive right of generating power from the stream at Pallivasal. This arrangement will enable the Government to establish their own hydro-electric station at Pallivasal, if and when the need arises. For our part, we have allowed the Company a concession on the royalty leviable, namely, a rebate of 50 per cent. of the royalty for the first 50 years and thereafter a rebate of 25 per cent. of the royalty, subject to a minimum payment to the Government of Rs. 5 per unit of power. This general rate will apply also to the particular case of the Company's power station at Pallivasal, with these further advantages accruing to the Government that the concessional rate will only be for 28 years and will always be subject to a minimum payment to the Government of Rs. 5,000 a year. In announcing this entirely satisfactory settlement, Her Highness's Government desire to express their appreciation of the friendly attitude and the complete reasonableness which the General Manager of the Company, Mr. H. L. Pinches, contributed to the negotiations.

30. Co-operative Societies.—The co-operative movement continued to spread; but practically in one direction only, namely, that of co-operative credit societies. The last year showed an increase of 323 societies, and at the end of Vrischikam this year there was a further addition of 35 societies. The rule regarding the assignment of land to co-operative societies for depressed classes was amended so as to make such assignments easier.

31. Joint Stock Companies.—The State-Aided Bank has issued shares for Rs. 20 lakhs to the public; and of this, nearly Rs. 15 lakhs were taken up within the prescribed period. The Bank is expected to commence business shortly. The paid-up capital at the end of 1101 of the Joint Stock Companies incorporated in the State was Rs. 85 lakhs.

32. Public Health.—The constitution of the Administrative Board, Medical Services, has rendered frequent inspections possible. A second batch of 14 pupils is being trained in nursing in the Women and Children's Hospital and another 14 pupils are undergoing a course of training for two years in midwifery at Quilon; and the intention is to train them for midwifery and health and welfare work in rural areas. The dispensary treatment of leprosy and the provision for anti-rabic treatment have been largely availed of. Two new Government dispensaries and one grant-in-aid dispensary were opened during 1101. Arrangements are in progress for an up-to-date X-ray installation and electric lighting in the General Hospital and for opening a special department of electro-therapeutics. Proposals for the constitution of a separate Women's Medical Service are under consideration. Two Government dispensaries have been opened during the current year. In the General Hospital, two new blocks to accommodate 48 patients have been completed and they are being furnished; a semi-permanent shed with eight beds has also been constructed for housing poor persons suffering from rabies. Additional accommodation has been provided in the hospitals at Nagercoil, Quilon, Kottayam, Alleppey and Arukuti.